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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/654,933	09/01/2000	Jay S. Walker	96-108XX	7050
22927	7590	01/06/2004	EXAMINER	
WALKER DIGITAL FIVE HIGH RIDGE PARK STAMFORD, CT 06905			SHIH, SALLY	
		ART UNIT	PAPER NUMBER	3624

DATE MAILED: 01/06/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

<b>Office Action Summary</b>	<b>Application No.</b>	<b>Applicant(s)</b>
	09/654,933	WALKER ET AL. <i>SW</i>
	<b>Examiner</b>	<b>Art Unit</b>
	Sally Shih	3624

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) Responsive to communication(s) filed on 01 September 2003.
- 2a) This action is FINAL.                    2b) This action is non-final.
- 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) Claim(s) 49-74 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) Claim(s) \_\_\_\_\_ is/are allowed.
- 6) Claim(s) 49-74 is/are rejected.
- 7) Claim(s) 49-60, 62-72 and 74 is/are objected to.
- 8) Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) The specification is objected to by the Examiner.
- 10) The drawing(s) filed on \_\_\_\_\_ is/are: a) accepted or b) objected to by the Examiner.  
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. §§ 119 and 120

- 12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
 a) All b) Some \* c) None of:  
 1. Certified copies of the priority documents have been received.  
 2. Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.  
 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

- 13) Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application) since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.  
 a) The translation of the foreign language provisional application has been received.
- 14) Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121 since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.

#### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)  | 4) <input type="checkbox"/> Interview Summary (PTO-413) Paper No(s). _____  |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                               | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449) Paper No(s) <u>3 and 6</u> . | 6) <input type="checkbox"/> Other: _____                                    |

## **DETAILED ACTION**

1. This application has been reviewed. Original claims 49-74 are pending. The rejections cited are as stated below:

### ***Claim Rejections - 35 USC §101***

2. Claims 49-60, 62-72 and 74 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete, and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts. In the present case, claims 49-60, 62-72 and 74 only recite an abstract idea. The recited steps of merely managing a credit account does not apply, involve, use, or advance the technological arts since all of the recited steps can be performed in the mind of the user or by use of a pencil and paper.

As to technological arts recited in the preamble, mere recitation in the preamble (i.e., intended or field of use) or mere implication of employing a machine or article of manufacture to

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perform some or all of the recited steps does not confer statutory subject matter to an otherwise abstract idea unless there is positive recitation in the claim as a whole to breathe life and meaning into the preamble. In the present case, none of the recited steps are directed to anything in the technological arts as explained above. Looking at the claim as a whole, nothing the body of the claim recites any structure or functionality to suggest that a computer performs the recited steps.

Although the recited process produces a useful, concrete, and tangible result, since the claimed invention, as a whole, is not within the technological arts as explained above, claims 49-60, 62-72 and 74 are deemed to be directed to non-statutory subject matter.

**Example:**

A **computerized** method for selecting an insurance policy comprising the steps of:  
(a) retrieving information from a customer **database** and an insurance policy **database**;  
(b) scoring the insurance policy **by a processor** based upon the information from the customer and policy; and  
(c) iterating steps (1) and (2) with different policies until a best insurance policy is selected based on a score determined from step (b).

***Claim Rejections - 35 USC § 102***

3. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

4. Claims 49-62 are rejected under 35 U.S.C. 102(e) as being anticipated by Cunningham (United States Patent Number 6,014,645).

Claims 49, 61 and 62: A method, corresponding apparatus and program comprising:

determining a first value for an parameter of a credit account (figs. 2-4 and associated text);

determining a second value for the parameter (col. 5, lines 36-43);

calculating a payment, wherein the payment is based on a modification of the parameter from the first value to the second value (figs. 2-4 and associated text); and

providing an offer to a customer associated with the credit account, wherein the offer comprises an offer to provide the payment to the customer if the customer agrees to the modification of the parameter (figs. 2-4 and associated text).

Claim 50. The method of claim 49, further comprising: receiving a customer acceptance of the offer (fig. 4 and associated text).

Claim 51. The method of claim 50, further comprising:

providing the payment to the customer (fig. 4 and associated text; col. 4, lines 17-52); and

modifying the account parameter from the first value to the second value (fig. 4 and associated text; col. 4, lines 17-52).

Claim 52. The method of claim 51, wherein an indication of the first value of the parameter of the credit account associated with the customer is stored in a record of a parameter database (figs. 3-4 and associated text) and where the step of modifying the parameter comprises:

substituting the second value for the first value in the record of the parameter database (figs. 3-4 and associated text).

Claim 53. The method of claim 52, wherein the value of the parameter as stored in the record of the parameter database is used to calculate an amount owed by the customer for activity on the credit account (figs. 3-4 and associated text).

Claim 54. The method of claim 49, wherein the account parameter comprises one of an interest rate, a time period of the interest rate, a monthly minimum payment, a credit limit, a grace period, a payment amnesty, and a late fee (col. 4, lines 53-64).

Claim 55. The method of claim 49, wherein the second value is selected based on information associated with the customer associated with the credit account (col. 5, lines 32-43).

Claim 56. The method of claim 55, wherein the customer information comprises a customer rating (fig. 4 and associated text; col. 4, lines 17-30).

Claim 57. The method of claim 56, wherein the customer rating is based on at least one of a past payment history for the credit account, information obtained from a credit reporting agency, and an income of the customer (figs. 2-3 and associated text; col. 4, lines 11-16).

Claim 58. The method of claim 49, wherein the step of calculating the payment comprises: calculating a payment, wherein the payment is based on the modification of the parameter from the first value to the second value and information associated with the customer associated with the credit account (col. 5, lines 32-43).

Claim 59. The method of claim 49, wherein the second value of the parameter is more favorable to a credit account issuer associated with the credit account (col. 4, lines 53-64).

Claim 60. The method of claim 49, wherein the second value of the parameter is more profitable to a credit account issuer associated with the credit account (col. 4, lines 53-64).

5. Claims 63-74 are rejected under 35 U.S.C. 102(e) as being anticipated by Weiss et al. (United States Patent Number 6,131,810).

Claims 63, 73 and 74: A method, corresponding system and program comprising:  
determining that a customer associated with a credit account is dissatisfied with the credit account (fig. 5M and associated text);  
determining at least one term of the credit account (fig. 5M and associated text); and  
presenting the customer with an offer to modify the at least one term of the credit account (fig. 5M and associated text).

Claim 64. The method of claim 63, further comprising:

determining a modification to the at least one term of the credit account (fig. 5M and associated text); and wherein the step of presenting comprises:  
presenting the customer with an offer to modify by the determined modification the at least one term of the credit account (fig. 5M and associated text).

Claim 65. The method of claim 63, further comprising:

receiving from the customer a requested modification to the at least one term of the credit account (figs. 5H, 5M and associated text).

Claim 66. The method of claim 65, further comprising:

evaluating the requested modification in order to determine whether to accept or reject the modification (figs. 5H, 5M and associated text); and

transmitting to the customer, based on the evaluation, at least one of an acceptance and a rejection of the requested modification (figs. 5H, 5M and associated text).

Claim 67. The method of claim 66, further comprising:

modifying the at least one selected term by the modification if an acceptance is transmitted (figs. 5J-5M and associated text).

Claim 68. The method of claim 66, further comprising:

determining an alternate modification based on the requested modification if a rejection is transmitted (figs. 5J-5M and associated text); and

transmitting to the customer the alternate modification (figs. 5J-5M and associated text).

Claim 69. The method of claim 63, wherein the determination that a customer is dissatisfied with the credit account is based on receiving, from the customer, a request to cancel the account (fig. 5M and associated text).

Claim 70. The method of claim 63, further comprising:

determining a payment to offer to the customer in exchange for modifying the at least one term (fig. 5M and associated text); and wherein the offer to modify the at least one term of the credit account includes an offer of the payment (fig. 5M and associated text).

Claim 71. The method of claim 64, further comprising:

determining information associated with the customer, wherein the modification is at least based on the information associated with the customer (figs. 4A-4E and associated text; col. 9, lines 62-65).

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Claim 72. The method of claim 70, wherein the information associated with the customer comprises at least one of a past payment history for the credit account, information obtained from a credit reporting agency, and an income of the customer (figs. 4A-4E and associated text; col. 9, lines 62-65).

***Conclusion***

6. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. USPN 5,878,403, USPN 5,950,179 and USPN 6,029,149 are cited of interest.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Sally Shih whose telephone number is 703-305-8550. The examiner can normally be reached on Flexible Schedule.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on 703-308-1065. The fax phone number for the organization where this application or proceeding is assigned is 703-305-7687.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

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VINCENT MILLIN  
SUPERVISORY PATENT EXAMINER  
TECHNOLOGY CENTER 3600